GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:3069
ANSWERED ON:21.03.2017
Driverless Cars
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Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is true that India has become a design hub for global auto makers, especially for compact cars and two wheelers and the industry needs to respond expeditiously to fresh challenges such as the emergence of driverless cars and if so, the details thereof;
(b) whether there is likely to be a greater demand for newer automotive designs to meet the aspirations of the Indian market and if so, the details thereof;
(c) whether the industry needs to focus more on tapping the rural market which currently has only 13 per cent share of passenger vehicles sales; and
(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI BABUL SUPRIYO)
(a): Society of Indian Automobile Manufactures (SIAM) has informed that India has over the years developed into an R&D hub for International Automobile Manufacturers with companies like Renault, General Motors, Mercedes − Benz, Hyundai, Suzuki and all the Indian owned manufacturers setting up design centers in various parts of the country. India has also emerged as a Styling & Design hub especially for two wheelers and small cars and utility vehicles. Renault, General Motors, Hyundai and others are using their Indian design centers to work in tandem with their other global centers and it is understood that the contribution from Indian design centers of these companies are quite significant.
(b): Society of Indian Automobile Manufacturers (SIAM) has reported that the Indian automobile market is currently one of the active markets. Large number of launches is taking place as the market for newly launched vehicles is vibrant. At present, there are more than 130 models of passenger vehicle and more than 150 models of two-wheelers available in the market. The tendency of the customers to aspire for newer designs and technologies is expected to continue and hence automobile OEMs are continuously working on launching new vehicles.

(c) & (d): SIAM has informed that the industry is focusing on the rural market for passenger vehicles and two wheelers. In fact, rural and sub-urban markets are already contributing to a major share of the Motorcycle and small car markets. With rising incomes and development of infrastructure, rural market is now buoyant. Also, urban markets are seen stagnating and hence, the automobiles OEMs have been focusing on the rural market.

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